



FOR IMMEDIATE RELEASE
Wednesday, March 12, 2008

ARIZONA EXPORTS CONTINUE GROWTH IN 2007
State Companies Record \$1 Billion Increase in Global Sales

PHOENIX – Despite slower economic growth in much of the nation, Arizona showed its strength in the global economy by increasing exports to the world by nearly 5 percent in 2007. Governor Janet Napolitano today announced that Arizona exports grew \$1 billion in 2007, with Arizona companies exporting \$19.2 billion in products through the end of December, up from \$18.3 billion in 2006.

Mexico was again Arizona's largest trading partner, with \$5.2 billion in sales, even though exports to that country dropped slightly, while other nations dramatically increased exports from Arizona in the last year. Canada continues to show demand for Arizona products, posting a 16 percent gain from 2006, and coming in second, with \$2.14 billion.

China comes in at number three, with \$1.3 billion in exports, a rise of 10.1 percent from 2006.

"This exemplifies our state's ability to produce goods that the rest of the world needs and wants," said Napolitano. "Global exports – especially in times of slow U.S. growth – are important to the state's economy and the many businesses that benefit from selling their products worldwide."

Exports are significant because states and individual businesses must be able to compete in the global economy to survive. Not only are they able to increase revenues, marketing their products to the world enables companies to weather economic downturns close to home, while selling to other nations that can take advantage of the weaker dollar to buy more U.S.-produced goods.

"It is an excellent time to export outside the United States," said Jan Leshner, director of the Arizona Department of Commerce. "Exporting can help a business do well, and it is clear companies recognize this and engage in global sales."

"Mirroring the rest of the country, nearly 60 percent of Arizona's exporters sell to only one foreign market. Our favorable export climate, together with ease of transportation, the Internet, and reduced trade barriers in many countries, bodes well for those companies looking to expand into second and third export markets," adds the U.S. Commercial Service's Eric Nielsen.

Other statistics of note:

- Top commodities include electrical machinery, machinery, aircraft/spacecraft, optics and ores/slag/ash
- Germany, now Arizona's 5th largest trading partner, posted a 33.87 percent increase in Arizona exports, the highest of the state's top 10
- Arizona ranks 19th among the 50 states in export sales
- Every \$1 billion in exports represents 14,000 jobs created/retained, according to the U.S. Department of Commerce

- More than 4500 companies in Arizona exported in 2007, 88 percent of which are small- or medium-sized (fewer than 500 employees)

The attached charts break down 2007 export activity by top 10 commodities and countries. The statistics are compiled and disseminated by the Arizona Department of Commerce, in cooperation with the U.S. Commercial Service, a division of the U.S. Department of Commerce.

ARIZONA'S TOP 10 COMMODITIES EXPORTED

HTS	Description	2006	2007	% Change
00	_Commodities	18,287,397,929	19,185,647,072	4.91
85	Electrical Machinery	7,502,769,343	7,645,800,770	1.91
84	Machinery	2,879,415,529	3,211,733,084	11.54
88	Aircraft/Spacecraft	1,740,277,884	1,656,748,418	-4.8
90	Optic/Nt 8544;Med Instr	1,042,826,518	1,022,670,275	-1.93
26	Ores/Slag/Ash	853,847,019	760,647,644	-10.92
39	Plastic	523,417,793	515,563,117	-1.5
87	Vehicles/ Not Railway	375,880,688	424,359,802	12.9
74	Copper+Articles Thereof	270,326,936	402,632,506	48.94
71	Precious Stones/Metals	140,535,560	371,610,472	164.42
93	Arms And Ammunition	260,164,336	252,763,032	-2.84

ARIZONA'S EXPORTS TO TOP TEN COUNTRIES

Rank	Country	2006	2007	% Change
	_World	18,287,397,929	19,185,647,072	4.91
1	Mexico	5,370,625,511	5,235,838,827	-2.51
2	Canada	1,841,227,759	2,143,461,909	16.41
3	China	1,196,306,206	1,317,122,960	10.1
4	Singapore	1,242,507,187	1,139,044,209	-8.33
5	Germany	755,396,731	1,011,225,107	33.87
6	United Kingdom	802,795,397	959,106,439	19.47
7	Japan	685,844,038	716,624,250	4.49
8	Taiwan	380,847,696	576,981,438	51.5
9	Malaysia	807,939,654	539,263,657	-33.25
10	France	495,436,676	512,414,475	3.43

For more detailed information, please visit www.azcommerce.com. For more information about the Office of the Governor, please visit www.azgovernor.gov.